

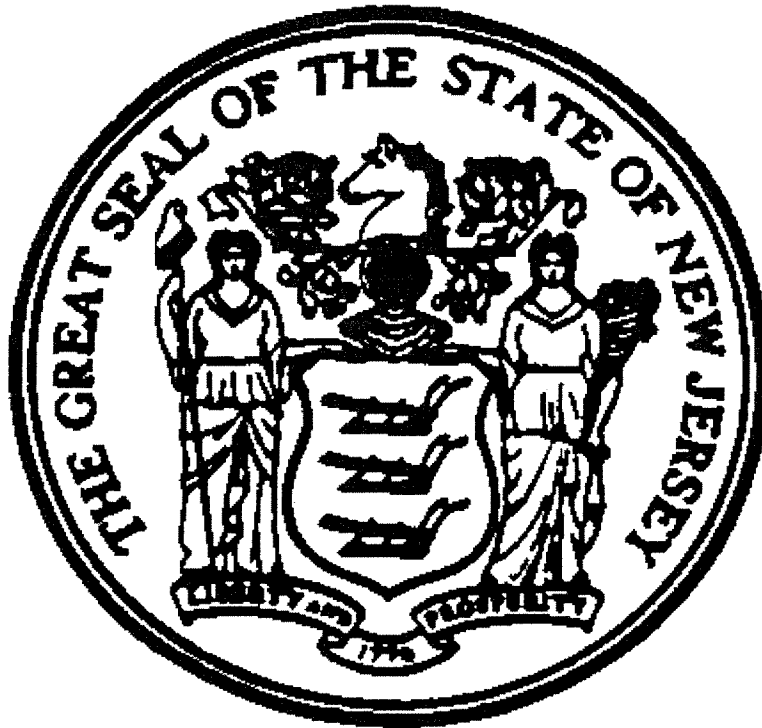
QUARTERLY REPORT

LICENSEE

TRUMP PLAZA ASSOCIATES

FOR THE QUARTER ENDED JUNE 30, 2004

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY



BALANCE SHEETS

AS OF JUNE 30, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	ASSETS		
	Current Assets:		
1	Cash and Cash Equivalents.....	\$16,149	\$19,618
2	Short-Term Investments.....	-	-
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2004, \$4,193; 2003, \$5,988).....	9,032	9,368
4	Inventories.....	2,364	1,654
5	Prepaid Expenses and Other Current Assets.....	5,235	6,070
6	Total Current Assets.....	32,780	36,710
7	Investments, Advances, and Receivables.....	9,726	9,598
8	Property and Equipment - Gross.....	671,551	658,786
9	Less: Accumulated Depreciation and Amortization.....	(279,708)	(262,529)
10	Property and Equipment - Net.....	391,843	396,257
11	Other Assets..... Note 4.....	13,578	16,730
12	Total Assets.....	\$447,927	\$459,295
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts Payable.....	\$18,055	\$11,230
14	Notes Payable.....	668	1,703
	Current Portion of Long-Term Debt:		
15	Due to Affiliates.....	-	-
16	Other..... Note 5.....	8,793	7,148
17	Income Taxes Payable and Accrued.....	3,302	1,983
18	Other Accrued Expenses.....	24,241	33,351
19	Other Current Liabilities..... Note 3.....	17,970	10,502
20	Total Current Liabilities.....	73,029	65,917
	Long-Term Debt:		
21	Due to Affiliates..... Note 5.....	462,852	462,597
22	Other..... Note 5.....	10,050	7,298
23	Deferred Credits.....	-	-
24	Other Liabilities..... Note 6.....	22,199	12,690
25	Commitments and Contingencies..... Note 9.....	-	-
26	Total Liabilities.....	568,130	548,502
27	Stockholders', Partners', or Proprietor's Equity..... Note 7.....	(120,203)	(89,207)
28	Total Liabilities and Equity.....	\$447,927	\$459,295

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	Revenue:		
1	Casino.....	\$152,476	\$159,863
2	Rooms.....	11,580	11,764
3	Food and Beverage.....	18,432	17,419
4	Other.....	4,549	3,963
5	Total Revenue.....	187,037	193,009
6	Less: Promotional Allowances.....	48,079	44,286
7	Net Revenue.....	138,958	148,723
	Costs and Expenses:		
8	Cost of Goods and Services.....	82,664	85,544 *
9	Selling, General, and Administrative.....	28,235	27,870 *
10	Provision for Doubtful Accounts.....	500	655
11	Total Costs and Expenses.....	111,399	114,069
12	Gross Operating Profit.....	27,559	34,654
13	Depreciation and Amortization.....	10,958	9,721
	Charges from Affiliates Other than Interest:		
14	Management Fees.....	-	-
15	Other.....Note 2.....	2,907	3,134
16	Income (Loss) from Operations.....	13,694	21,799
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates.....	(26,823)	(26,667)
18	Interest (Expense) - External.....	(1,426)	(1,630)
19	Investment Alternative Tax and Related Income (Expense) - Net.....	(708)	(961)
20	Nonoperating Income (Expense) - Net.....Note 8.....	2,319	175
21	Total Other Income (Expenses).....	(26,638)	(29,083)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	(12,944)	(7,284)
23	Provision (Credit) for Income Taxes.....	838	692
24	Income (Loss) Before Extraordinary Items.....	(13,782)	(7,976)
	Extraordinary Items (Net of Income Taxes -		
25	20__, \$; 20__, \$).....	-	-
26	Net Income (Loss).....	(\$13,782)	(\$7,976)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.
*Certain reclassifications have been made to conform to current year presentations.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED JUNE 30, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	Revenue:		
1	Casino.....	\$80,045	\$84,432
2	Rooms.....	6,296	6,344
3	Food and Beverage.....	9,987	9,210
4	Other.....	2,634	1,979
5	Total Revenue.....	98,962	101,965
6	Less: Promotional Allowances.....	25,592	23,208
7	Net Revenue.....	73,370	78,757
	Costs and Expenses:		
8	Cost of Goods and Services.....	42,823	43,517 *
9	Selling, General, and Administrative.....	14,667	14,273 *
10	Provision for Doubtful Accounts.....	338	450
11	Total Costs and Expenses.....	57,828	58,240
12	Gross Operating Profit.....	15,542	20,517
13	Depreciation and Amortization.....	5,231	4,633
	Charges from Affiliates Other than Interest:		
14	Management Fees.....	-	-
15	Other.....Note 2.....	1,463	1,692
16	Income (Loss) from Operations.....	8,848	14,192
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates.....	(13,510)	(13,341)
18	Interest (Expense) - External.....	(726)	(867)
19	Investment Alternative Tax and Related Income (Expense) - Net.....	(388)	(640)
20	Nonoperating Income (Expense) - Net.....Note 8.....	2,232	96
21	Total Other Income (Expenses).....	(12,392)	(14,752)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	(3,544)	(560)
23	Provision (Credit) for Income Taxes.....	434	367
24	Income (Loss) Before Extraordinary Items.....	(3,978)	(927)
	Extraordinary Items (Net of Income Taxes -		
25	20__, \$; 20__, \$).....	-	-
26	Net Income (Loss).....	(\$3,978)	(\$927)

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

*Certain reclassifications have been made to conform to current year presentations.

STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003
AND THE SIX MONTHS ENDED JUNE 30, 2004

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	Capital Withdrawals (e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2002.....	\$171,781	(\$165,700)	(\$87,889)	(\$81,808)
2	Net Income (Loss) - 2003.....		(25,415)		(25,415)
3	Capital Contributions.....				
4	Capital Withdrawals.....				
5	Partnership Distributions..... Note 7....	(277)			(277)
6	Prior Period Adjustments.....				
7				
8				
9				
10	Balance, December 31, 2003.....	171,504	(191,115)	(87,889)	(107,500)
11	Net Income (Loss) - 2004.....		(13,782)		(13,782)
12	Capital Contributions.....				
13	Capital Withdrawals.....				
14	Partnership Distributions..... Note 7....	1,079			1,079
15	Prior Period Adjustments.....				
16				
17				
18				
19	Balance, June 30, 2004.....	\$172,583	(\$204,897)	(\$87,889)	(\$120,203)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP PLAZA HOTEL & CASINO

REVISED

STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

Amended

9/27/04

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$2,952	\$743
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	Purchase of Short-Term Investment Securities.....	-	-
3	Proceeds from the Sale of Short-Term Investment Securities.....	-	-
4	Cash Outflows for Property and Equipment.....	(2,374)	(2,000)
5	Proceeds from Disposition of Property and Equipment.....	-	-
6	Purchase of Casino Reinvestment Obligations.....	(1,813)	(1,922)
7	Purchase of Other Investments and Loans/Advances made.....	2,037	2,076
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables.....	-	-
9	Cash Outflows to Acquire Business Entities.....	-	-
10	Casino Reinvestment Obligation Donation.....	8	234
11		-	-
12	Net Cash Provided (Used) By Investing Activities.....	(2,142)	(1,612)
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	Cash Proceeds from Issuance of Short-Term Debt.....	1,950	2,425
14	Payments to Settle Short-Term Debt.....	(6,525)	(4,985)
15	Cash Proceeds from Issuance of Long-Term Debt.....	-	-
16	Costs of Issuing Debt.....	-	-
17	Payments to Settle Long-Term Debt.....	-	-
18	Cash Proceeds from Issuing Stock or Capital Contributions.....	-	-
19	Purchases of Treasury Stock.....	-	-
20	Payments of Dividends or Capital Withdrawals.....	-	-
21		-	-
22		-	-
23	Net Cash Provided (Used) By Financing Activities.....	(4,575)	(2,560)
24	Net Increase (Decrease) in Cash and Cash Equivalents.....	(3,765)	(3,429)
25	Cash and Cash Equivalents at Beginning of Period.....	19,914	23,047
26	Cash and Cash Equivalents at End of Period.....	\$16,149	\$19,618
	CASH PAID DURING PERIOD FOR:		
27	Interest (Net of Amount Capitalized).....	\$22,925	\$23,095
28	Income Taxes.....	175	-

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

REVISED**STATEMENTS OF CASH FLOWS**

FOR THE SIX MONTHS ENDED JUNE 30, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

Amended

9/27/04

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	NET CASH FLOWS FROM OPERATING ACTIVITIES:		
29	Net Income (Loss).....	(\$13,782)	(\$7,976)
	Noncash Items Included in Income and Cash Items		
	Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment.....	10,956	9,644
31	Amortization of Other Assets.....	2	77
32	Amortization of Debt Discount or Premium.....	124	140
33	Deferred Income Taxes - Current.....	-	-
34	Deferred Income Taxes - Noncurrent.....	-	-
35	(Gain) Loss on Disposition of Property and Equipment.....	(39)	7
36	(Gain) Loss on Casino Reinvestment Obligations.....	700	727
37	(Gain) Loss from Other Investment Activities.....	-	-
	Net (Increase) Decrease in Receivables and Patrons'		
38	Checks.....	(395)	(347)
39	Net (Increase) Decrease in Inventories.....	(533)	180
40	Net (Increase) Decrease in Other Current Assets.....	(1,273)	(2,750)
41	Net (Increase) Decrease in Other Assets.....	2,596	(207)
42	Net Increase (Decrease) in Accounts Payable.....	3,995	3,221
	Net Increase (Decrease) in Other Current Liabilities		
43	Excluding Debt.....	601	(1,973)
	Net Increase (Decrease) in Other Noncurrent Liabilities		
44	Excluding Debt.....	-	-
45		-	-
46		-	-
47	Net Cash Provided (Used) By Operating Activities.....	\$2,952	\$743

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:		
48	Additions to Property and Equipment.....	(\$8,862)	(\$6,547)
49	Less: Capital Lease Obligations Incurred.....	6,488	4,547
50	Cash Outflows for Property and Equipment.....	(\$2,374)	(\$2,000)
	ACQUISITION OF BUSINESS ENTITIES:		
51	Property and Equipment Acquired.....	-	-
52	Goodwill Acquired.....	-	-
	Net Assets Acquired Other than Cash, Goodwill, and		
53	Property and Equipment.....	-	-
54	Long-Term Debt Assumed.....	-	-
55	Issuance of Stock or Capital Invested.....	-	-
56	Cash Outflows to Acquire Business Entities.....	-	-
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:		
57	Total Issuances of Stock or Capital Contributions/Partnership Distribution.....	1,079	577
58	Plus: Issuances of Long-Term Debt to Affiliates, Net of Costs.....	0	0
59	Less: Elimination of Amounts Due to/from Affiliates.....	(1,079)	(577)
60	Cash Proceeds from Issuing Stock or Capital Contributions.....	\$0	\$0

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

(\$ IN THOUSANDS)

FOR THE SIX MONTHS ENDED JUNE 30, 2004

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	118,580	\$9,161	506	\$38
2	Food	608,590	8,377	-	-
3	Beverage	983,834	4,385	-	-
4	Travel	-	-	6,473	971
5	Bus Program Cash	544,285	8,727	-	-
6	Other Cash Complimentaries	778,275	16,361	-	-
7	Entertainment	35,863	390	3,278	131
8	Retail & Non-Cash Gifts	-	-	170	21
9	Parking	23,157	255	-	-
10	Other	41,839	423	16,613	530
11	Total	3,134,423	\$48,079	27,040	\$1,691

(1)

FOR THE QUARTER ENDED JUNE 30, 2004

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	62,926	4,967	255	19
2	Food	394,813	4,568	-	-
3	Beverage	450,248	2,251	-	-
4	Travel	-	-	3,544	532
5	Bus Program Cash	334,427	5,347	-	-
6	Other Cash Complimentaries	369,252	7,754	-	-
7	Entertainment	35,863	390	852	34
8	Retail & Non-Cash Gifts	-	-	67	8
9	Parking	8,418	93	-	-
10	Other	21,801	222	11,016	326
11	Total	1,677,748	\$25,592	15,734	\$919

(2)

(1) Line 10f exceeding 5% of Line 11f

Tips	\$202
Outside Retail	165
	<u>\$367</u>

(2) Line 10f exceeding 5% of Line 11f

Tips	\$98
Outside Retail	144
	<u>\$242</u>

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS
(unaudited)

(1) Organization and Operations

The accompanying financial statements include those of Trump Plaza Associates, a New Jersey general partnership ("Plaza Associates"), which owns and operates Trump Plaza Hotel and Casino located in Atlantic City, New Jersey ("Trump Plaza"). Plaza Associates is 100% beneficially owned by Trump Atlantic City Associates ("Trump AC"). Trump AC also 100% beneficially owns Taj Mahal Associates ("Taj Associates") which operates the Trump Taj Mahal Casino Resort in Atlantic City, New Jersey. Trump AC is 100% beneficially owned by Trump Hotels & Casino Resorts Holdings, L.P. ("THCR Holdings") which is a 63.4% owned subsidiary of Trump Hotels & Casino Resorts, Inc. ("THCR").

Plaza Associates owns and operates Trump Plaza Hotel and Casino ("Trump Plaza"), an Atlantic City, New Jersey hotel and casino. The Atlantic City market is very competitive, especially since the opening of the Borgata Casino Hotel and Spa by a joint venture of MGM Mirage and Boyd Gaming in Atlantic City's marina district in July 2003, and is anticipated to become more competitive in the future. Plaza Associates derives its revenue from casino operations, room rental, food and beverage sales and entertainment revenue.

THCR and its subsidiaries are very highly leveraged, with extensive secured borrowings by its operating level subsidiaries, including the Trump AC Mortgage Notes. Trump AC has incurred recurring operating losses, which totaled \$53.9 million, \$3.4 million, and \$14.0 million during the years ended December 31, 2003, 2002, and 2001, respectively and has a working capital deficit of \$64.8 million at June 30, 2004. The recurring operating losses are primarily the result of substantial debt service obligations on outstanding indebtedness. In 2004, Trump AC's debt service obligation is approximately \$155 million. Due to these factors, Trump AC has not been able to expand its operations or reinvest in the maintenance of the Trump AC Properties at desired levels. Furthermore, Trump AC does not currently have any short-term borrowing capacity available.

As a result of these factors, management has reviewed various financing alternatives. As discussed in Note 11, on August 9, 2004, THCR announced that THCR, Donald J. Trump and DLJ Merchant Banking Partners III, L.P. ("DLJMB"), a private equity fund of Credit Suisse First Boston ("CSFB"), have reached an agreement in principle with a significant portion of holders of the Trump AC Mortgage Notes to restructure Trump AC's approximately \$1.8 billion aggregate principal face amount of public indebtedness and to recapitalize Trump AC (the "Recapitalization Plan"). The Recapitalization Plan is contingent upon a variety of factors. No assurances can be made that the Recapitalization Plan will occur, or if it does occur, that it will occur on terms acceptable to THCR to allow THCR and its subsidiaries to meet their obligations as they become due. Additionally, management has implemented programs to obtain cash flow savings and will continue to attempt to implement such programs in the upcoming year whether or not

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS
(unaudited)

the Recapitalization Plan occurs. These programs include labor savings through increased automation of Trump AC's slot machine product on the gaming floor and the further reduction of planned capital expenditures and maintenance programs. However, there can be no assurances that these programs would be successful for any protracted period of time. Accordingly, the financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets, or the amounts and classification of liabilities that may result from the outcome of this uncertainty or the comprehensive recapitalization.

Given the large number of holders of the Trump AC Mortgage Notes and the Trump Casino Holdings', 11.625% First Priority Mortgage Notes (the "TCH First Priority Notes") and Trump Casino Holdings 17.625% Second Priority Notes (the "TCH Second Priority Notes," and together with the TCH First Priority Notes, the "TCH Notes"), THCR intends to effect the transactions in a voluntary chapter 11 proceeding pursuant to a pre-negotiated plan of reorganization in order to implement the Recapitalization Plan in an efficient and timely manner. THCR intends to commence its chapter 11 case by the end of September 2004. If the case is commenced by such time, the Company would not be required to make the November 1, 2004 interest payment on the Trump AC Mortgage Notes. If THCR's case is not commenced on or before such date, the Company cannot ensure that it will have sufficient funds on hand from operations to make the November 1, 2004 interest payment on the Trump AC Mortgage Notes within the 30 day grace period provided in the indentures governing such notes. Under such circumstances, THCR and Trump AC would need to borrow funds to provide for such payment of interest, the success of which cannot be assured.

Subject to the foregoing, the accompanying financial statements have been prepared without audit. In the opinion of management, all adjustments, consisting of only normal recurring adjustments necessary to present fairly the financial position, the results of operations and cash flows for the periods presented, have been made.

The accompanying financial statements have been prepared pursuant to the rules and regulations of the Casino Control Commission of the State of New Jersey (the "CCC"). Accordingly, certain information and note disclosures normally included in the financial statements prepared in conformity with accounting principles generally accepted in the United States have been condensed or omitted. These financial statements should be read in conjunction with the financial statements and notes thereto included in Plaza Associates' quarterly report for the period ended December 31, 2003 filed with the CCC.

The casino industry in Atlantic City is seasonal in nature with the peak season being the spring and summer months; therefore, the results of operations for the three and six months ending June 30, 2004 and 2003 are not necessarily indicative of the operating results for a full year.

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS
(unaudited)

Reclassifications

Certain reclassifications have been made to prior year financial statements in order to conform to the current year presentation.

(2) Charges From Affiliates

	Three Months Ended <u>June 30,</u>		Six Months Ended <u>June 30,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Trump Administration Allocation	<u>\$1,463,000</u>	<u>\$1,692,000</u>	<u>\$2,907,000</u>	<u>\$3,134,000</u>

Trump Taj Mahal Associates Administration ("Trump Administration"), a separate division of Taj Associates, was formed for the purpose of realizing cost savings and operational synergies by consolidating certain administrative functions of, and providing certain services to Plaza Associates, Taj Associates, Marina Associates, L.P., a New Jersey limited partnership and operator of the Trump Marina Hotel Casino in Atlantic City, New Jersey ("Marina Associates"). Management believes that Trump Administration's services will continue to result in substantial costs savings and operational synergies.

(3) Other Current Liabilities

Other current liabilities as of June 30, consisted of the following:

	<u>2004</u>	<u>2003</u>
Affiliates:		
Trump Atlantic City Associates	\$ 9,497,000	\$2,000,000
Trump Administration	2,700,000	2,827,000
Trump Organization	41,000	41,000
Trump Taj Mahal Associates	206,000	576,000
Marina Associates/Trump's		
Castle Associates	36,000	(31,000)
Reserve for insurance claims	1,995,000	2,016,000
Unredeemed chip/token liability	1,493,000	1,018,000
Casino reinvestment liability	1,019,000	1,067,000
Patron deposits	407,000	231,000
Other	<u>576,000</u>	<u>757,000</u>
	<u>\$17,970,000</u>	<u>\$10,502,000</u>

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS
(unaudited)

(4) Other Assets

Plaza Associates is appealing a real estate tax assessment by the City of Atlantic City. Included in Other Assets at June 30, 2004 and June 30, 2003 is \$8,014,000 which Plaza Associates believes will be recoverable on the settlement of the appeal.

(5) Long-Term Debt - Due To Affiliates

	June 30,	
	<u>2004</u>	<u>2003</u>
Note Payable - Trump AC	\$ 400,000,000	\$400,000,000
Note Payable - Trump AC, net of unamortized discount of \$398,000 and \$653,000, respectively	<u>62,852,000</u> <u>\$462,852,000</u>	<u>62,597,000</u> <u>\$462,597,000</u>

Trump AC and Trump Atlantic City Funding Inc., a wholly owned subsidiary of Trump AC ("Trump AC Funding"), issued the Trump Atlantic City Mortgage Notes ("Trump AC Mortgage Notes") in an aggregate principal amount of \$1,200,000,000 which bear interest at 11.25% and are due May 1, 2006. Interest on the Trump AC Mortgage Notes is due semi-annually. The Trump AC Mortgage Notes are guaranteed as to payment of principal and interest jointly and severally by Plaza Associates, Taj Associates, Trump AC and all future subsidiaries of Trump AC (other than Trump AC Funding). The Trump AC Mortgage Notes are jointly and severally secured by mortgages representing a first lien and security interest on substantially all the assets of Plaza Associates and Taj Associates.

The indenture pursuant to which the Trump AC Mortgage Notes were issued restricts the ability of Trump AC and its subsidiaries to make distributions or to pay dividends, as the case may be, unless certain financial ratios are achieved. In addition, the ability of Plaza Associates and Taj Associates to make payments of dividends or distributions (except for payment of interest) through Trump AC to THCR Holdings may be restricted by the New Jersey Casino Control Commission ("CCC").

Trump AC together with Trump Atlantic City Funding II ("Trump AC Funding II") and Trump Atlantic City Funding III ("Trump AC Funding III"), wholly owned subsidiaries of Trump AC, issued Trump AC Mortgage Notes in an aggregate principal amount of \$75,000,000 and \$25,000,000, respectively, which bear interest at 11.25% and are due May 1, 2006. Interest on the Trump AC Mortgage Notes is due semi-annually. The Trump AC Mortgage Notes are guaranteed as to payment of principal and interest jointly and severally by Plaza Associates, Taj Associates, Trump AC and all future subsidiaries of Trump AC (other than Trump AC Funding). The Trump AC Mortgage Notes are jointly and severally secured by mortgages representing a first lien and security interest on substantially all the assets of Plaza Associates and Taj Associates.

TRUMP PLAZA ASSOCIATES
NOTES TO FINANCIAL STATEMENTS
(unaudited)

From the proceeds of the issuance of the Trump AC Mortgage Notes, Trump AC loaned \$400,000,000 and \$63,250,00 to Plaza Associates with interest at 11.25% due May 1, 2006 with the same terms as the Trump AC Mortgage Notes. The loan of \$63,250,000 from Trump AC to Plaza Associates occurred during the quarter ended June 30, 2002; accordingly, interest expense on this loan is included in the accompanying financial statements since this period. Costs of \$14,733,000 and \$994,000 associated with the issuance of the Trump AC Mortgage Notes are being amortized by Plaza Associates using the effective interest method over the term of the Trump AC Mortgage Notes. Amortization is included in interest expense on the accompanying statement of operations and totaled \$310,000 and \$348,000 for the three months ended June 30, 2004 and \$629,000 and \$705,000 for the six months ended June 30, 2004 and 2003, respectively.

The Trump AC Mortgage Notes include restrictive covenants prohibiting or limiting, among other things, the sale of assets, the making of acquisitions and other investments, certain capital expenditures, the incurrence of additional debt and liens and the payment of dividends and distributions.

Long-Term Debt – Other	June 30,
	<u>2004</u> <u>2003</u>
Mortgage Note payable in monthly installments, including interest, with an interest rate of 8.5%.	\$ 992,000 \$ 1,070,000
Other notes with interest rates ranging from 6.0% to 13.0%, principal and interest payable monthly, secured by equipment.	<u>17,851,000</u> <u>13,376,000</u>
	<u>18,843,000</u> <u>14,446,000</u>
Less current maturities	<u>8,793,000</u> <u>7,148,000</u>
	<u>\$10,050,000</u> \$ <u>7,298,000</u>

(6) Other Liabilities

Other Liabilities as of June 30, consisted of the following:

	<u>2004</u>	<u>2003</u>
Accrued World's Fair Expense	\$ 9,855,000	\$ -
CRDA Commitment	8,522,000	8,868,000
Deferred Income Taxes relating to Preferred Partnership Interest	<u>3,822,000</u>	<u>3,822,000</u>
	<u>\$22,199,000</u>	<u>\$12,690,000</u>

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Accrued World's Fair Expense

Upon closing Trump World's Fair in October 1999, Plaza Associates was subject to a long-term agreement with Thermal Energy Limited, formerly Connective Thermal Systems for heating and cooling services. This agreement expires in the year 2016.

CRDA Commitment

The CRDA Commitment represents a long-term agreement with the Casino Reinvestment Development Authority for payments toward an individual Seat License for available seating in the Boardwalk Hall. Commitment payments are to be met with scheduled disbursements from Trump Plaza's available CRDA deposits, through the year 2012.

(7) Partnership Distribution

Pursuant to the indentures governing the Trump AC Mortgage Notes, Trump AC is permitted to reimburse THCR for its operating and interest expenses. These reimbursements are subject to limitations set forth in such indentures, including an annual limitation of \$10,000,000 in operating expense reimbursements and a life-time limitation of \$50,000,000 in interest expense reimbursements.

As such, Trump AC's subsidiaries, Plaza Associates and Taj Associates are permitted to reimburse Trump AC for its interest expenses and operating expense reimbursements to THCR. During the six months ended June 30, 2004 and June 30 2003, Plaza Associates declared a partnership distribution to Trump AC of \$1,079,000 and \$577,000, respectively, consisting of operating expense reimbursements.

(8) Warehouse Collapse

On February 17, 2003, Plaza Associates' off-site warehouse collapsed due to an unusual amount of snowfall. As a result, it was demolished, and Trump Plaza is currently leasing another warehouse. In April of 2004, Plaza Associates settled a claim with the insurance carrier. A gain of \$2.1 million was recognized in the quarter ended June 30, 2004 in other non-operating income.

(9) Commitments and Contingencies

Legal Proceedings

Plaza Associates, its partners and certain of its employees have been involved in various legal proceedings incurred in the normal course of business. In the opinion of management, Plaza Associates expects the disposition of these proceedings will have no material adverse effect on the financial condition or results of operations.

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Casino License Renewal

In June 2003, the CCC renewed Plaza Associates' casino license to operate Trump Plaza for a period of four years through June 30, 2007. Upon revocation, suspension for more than 120 days, or failure to renew the casino license, the Casino Control Act provides for mandatory appointment of a conservator to take possession of the hotel and casino's business and property, subject to all valid liens, claims and encumbrances.

(10) Subsequent Events

NJSEA Subsidy Agreement

On April 12, 2004, the twelve Atlantic City casino properties, including Plaza Associates, executed an agreement with the New Jersey Sports & Exposition Authority (the "NJSEA") and the Casino Reinvestment Development Authority (the "CRDA") to, among other things, enhance purses, fund breeders' awards and establish account wagering at New Jersey horse racing tracks ("NJSEA Subsidy Agreement" or "Agreement").

The Agreement provides that the casinos pro rata according to their gross revenue: (a) shall pay \$34 million to NJSEA in cash in four yearly payments through October 15, 2007 and donate \$52 million to NJSEA from the regular payment of their CRDA obligations for use by NJSEA through 2008 to enhance such purses, fund such breeders' awards and establish such account wagering; and (b) shall donate \$10 million from the regular payment of their CRDA obligations for use by CRDA as grants to such other North Jersey projects as CRDA shall determine. The \$62 million donation of CRDA obligations is conditioned upon the timely enactment and funding of the Casino Expansion Fund Act. Trump AC has estimated its portion of the industry obligation at approximately 17.0%.

The Agreement also anticipated that Legislation to establish and fund a \$62 million Casino Expansion Fund would be effective by December 1, 2004 and that the fund will be administered by CRDA and made available pro rata to each casino for use in expanding its casino hotel facility in the amounts and at the times it makes its donation payments to CRDA ("Casino Expansion Fund Act"). The Agreement further provides for a moratorium until January 2009, which casinos may enforce by court injunction, on the conduct of "casino gaming" at any New Jersey racetrack (unless casinos controlling a majority of the hotel rooms controlled by the casinos in Atlantic City otherwise agree) and a moratorium until January 2006 on the authorization of "casino gaming" at any New Jersey racetrack, the violation of which would terminate the Agreement and all further

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payments to NJSEA and require NJSEA to return all undistributed cash and CRDA to return all undistributed donated CRDA obligations to the casinos. The Agreement also grants a license through August 2008 for the display, at no cost to the casino industry of casino industry, of messages promoting Atlantic City generally in prominent locations at NJSEA's Meadowlands and Monmouth racetracks.

The Agreement finally provides that, if the Casino Expansion Fund is not established and funded by the New Jersey Legislature by December 1, 2004: (a) the casinos shall provide \$7 million in cash to NJSEA by December 10, 2004 and donate \$13 million from the regular payment of their CRDA obligations to NJSEA for use by NJSEA to enhance such purses, fund such breeders' awards and establish such account wagering; (b) the moratorium on the conduct of "casino gaming" at New Jersey racetracks shall expire as of January 2006; and (c) the Agreement shall otherwise terminate.

In addition to the NJSEA Subsidy Agreement, prominent leaders of the New Jersey Legislature publicly stated during Spring 2004 their intent that the Legislature enact the Casino Expansion Fund Act by December 2004, repeal in increments over time the 4.25% tax on casino complimentaries it imposed as of July 2003 and, for four years, refrain from imposing any new or increased casino industry specific taxes. In this regard, legislation was enacted effective June 30, 2004 which: (a) establishes the Atlantic City Expansion Fund, identifies the Casino Hotel Room Occupancy Fee as its funding source and directs CRDA to provide the Atlantic City Expansion Fund with \$62 million and to make same available to each casino licensee for investment in an eligible project which increases the number of hotel rooms in its casino hotel facility; and (b) fully phases out the 4.25% tax on casino complimentaries as of July 1, 2009

(11) Recapitalization Plan

As previously disclosed, in February 2004, THCR, Trump AC and certain affiliates of Trump AC entered into an exclusivity agreement and letter agreement with DLJMB in connection with a proposed equity investment to sponsor a comprehensive recapitalization of THCR. On August 9, 2004, THCR issued a press release and on August 10, 2004, filed a Current Report on Form 8-K with the Securities and Exchange Commission ("SEC") announcing that THCR, Donald J. Trump and DLJMB have reached an agreement in principle with a significant portion of holders of the Trump AC Mortgage Notes to recapitalize THCR and its subsidiaries, including Trump AC (the "Recapitalization Plan") and restructure the Trump AC Mortgage Notes and TCH Notes (approximately \$1.8 billion aggregate principal amount of indebtedness) into approximately \$1.25 billion of new secured notes bearing interest at the rate of 7.875% per annum and which will be guaranteed by all of THCR's operating subsidiaries and secured by a second lien on all of THCR's present and future assets, including the Trump AC Properties (the "New Notes"). As part of the Recapitalization Plan, Mr. Trump and

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LJMB would co-invest \$400 million of equity into the recapitalized Company. Mr. Trump's investment in the recapitalized Company is intended to be approximately \$70.9 million, \$55 million of which would be in the form of a co-investment with DLJMB and

the remainder of which would be invested through Mr. Trump's contribution of approximately \$15.9 million principal amount of his TCH Second Priority Notes. Mr. Trump's beneficial ownership of the recapitalized Company's common stock is expected to be up to approximately 25%, on a fully-diluted basis.

Given the large number of noteholders, THCR intends to effect the transactions in a chapter 11 proceeding pursuant to a pre-negotiated plan of reorganization in order to implement the Recapitalization Plan in an efficient and timely manner. THCR intends to commence its chapter 11 case by the end of September 2004 and expects, but cannot ensure that, the Recapitalization Plan will be consummated in the first quarter of 2005. The consummation of the Recapitalization Plan is subject to a variety of conditions discussed below. The Company intends to maintain its current level of operations during the pendency of the proceedings, expects that its patrons and vendors would experience no change in the way the Company does business with them, and anticipates that the proposed plan of reorganization would not impair trade creditor claims. THCR intends to arrange for up to \$100 million debtor-in-possession financing during the proceedings.

In connection with the Recapitalization Plan, THCR has held discussions with certain holders of the TCH Notes, which have formed a committee (the "TCH Noteholder Committee") to discuss a potential restructuring, and the TCH Noteholder Committee has engaged legal and financial advisors. However, THCR has not reached any specific agreement with the TCH Noteholder Committee or any other holders of the TCH Notes concerning a restructuring, and there is no assurance that THCR will reach such an agreement with such holders. THCR's current proposal contemplates a recovery by holders of TCH Notes of approximately the accreted value of such notes (approximately 95.6% of the aggregate principal face amount), which THCR believes is an appropriate recovery under the Bankruptcy Code.

Although a committee formed by certain holders of the Trump AC Mortgage Notes has agreed in principle to support the Recapitalization Plan, such support does not constitute its official approval of the plan of reorganization that is anticipated to be proposed by THCR after a chapter 11 proceeding is commenced. Such approval can be obtained only after a court approved plan disclosure document is distributed to persons entitled to vote on the plan. Moreover, the holders of TCH Notes have not agreed in principle to support the Recapitalization Plan. Although THCR will continue to seek support of TCH Noteholders, it cannot assure that such support will be obtained. In such event, THCR currently anticipates consummating the Recapitalization Plan without obtaining the vote of TCH Noteholders.

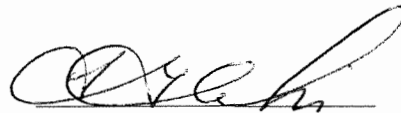
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The consummation of the Recapitalization Plan is subject to a number of conditions, the satisfaction of which cannot be assured, including, among other things, the negotiation of a definitive investment agreement with DLJMB, an indenture governing the New Notes, the documentation relating to THCR's proposed arrangements with Mr. Trump and a plan of reorganization. The plan of reorganization would also be subject to obtaining applicable governmental approvals, including court confirmation of the plan of reorganization and approval of the related solicitation materials, gaming regulatory authority approvals and relevant filings under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended. The definitive terms and conditions of the Recapitalization Plan would be outlined in a disclosure statement that would be sent to security holders and creditors entitled to vote on the plan of reorganization. There can be no assurances that the Recapitalization Plan will be officially proposed as described herein or consummated.

Upon THCR's announcement of the Recapitalization Plan and intended commencement of the chapter 11 case, the New York Stock Exchange suspended the trading of THCR's current common stock. The recapitalized Company intends to apply to have its new common stock listed on the New York Stock Exchange or other national securities exchange upon the consummation of the Recapitalization Plan.

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.



Signature

Sr. Vice President - Finance
Title

4954-11
License Number

On behalf of:

Trump Plaza Associates
Casino Licensee